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WEEKLY MARKET REPORT

September 5th, 2008 / Week 36

On the dry sector we see the market continuing the correction this week with the BDI closing at 5,663 points, which is more than a 50% drop from the last peak (11,793 points - May 20th 2008)

Meanwhile bulker transactions have been reduced, as more and more buyers are adopting the "wait and see" approach, mainly for two reasons. Now that Olympics are over, they wait to see what will be the direction of the market from mid-end September onwards and secondly they are expecting further price reductions in vessel's values reflecting the correction of the freight market. Sellers, on the other hand, are holding strong and are quiet reluctant to consider reducing their ideas. That goes for the vast majority, but an increasing number, seems now prepared to consider realistically lower offers in a period where the market is adjusting following the strong correction in the rates.

On the resale front, the market has been indeed more active. Demand remains strong (especially from big players) for bulker resales set to be delivered from quality/established Shipyards. Navios is reported to have bought two capesize bulkers on novation basis with delivery ex STX Korea Jun/Sep 2009.

We expect demand to increase even more for quality resales, as soon as the market turns and when the picture of the actual number of vessels to be delivered or the percentage of cancellations becomes more clear.

Reports are also indicating that several yards have growing financial problems. Another prime example which has been on the news this week is Brave's cancellation of a contract with a Chinese shipyard for four post-panamax bulkers set for delivery in 2010, due to the fact that the yard failed to obtain the refund guarantees timely. The market is very much monitoring the developments in that front, importantly enough as this involves the future supply of tonnage and will most certainly affect market developments.

On the wet, demand for old tonnage to be converted into bulkers is diminishing, with only few reliable buyers now left to play. This segment's values are most probably set for a further hit, if scrap prices continue to fall.

For the modern/resale tonnage, as well as in newbuilding orders are a totally different story. Demand still strong for suezmax & aframaxes while the Chinese are growing their VLCC order book.

On the VLCC market it was another active week with a total of 45 fixtures reported worldwide, 38 emanating from the Middle East and 7 from the Atlantic Basin. The former was led by east-bound business which accounted for all but 7 of the fixtures reported, the other 5 being for west-bound business including the USWC. Rates for those voyages started the week at the ws80 level, before stepping up the ws87.5 with the latest report of ws92.5 achieved at weeks end. Eastbound rates followed a similar trend starting off at ws97.5, pushing up over twenty-five percent, the last paid ws122.5 for Korea discharge. Looking ahead to next week we expect to see the activity continue as Charterers look to finish up those remaining September stems and get going on their October programs as they try to secure competitive tonnage in the rising market environment.

On the Suezmax class in West Africa market, Charterers have slow fed their enquiry and with sufficient competition from the owners, rates were driven South at the 135 x WS160 with the potential to further soften for now but with the possibility of replacement vessels needed due to the Hurricanes in the U.S. causing weather delays. Suezmaxes ex Black Sea and Med have softened due to the lack of enquiry and despite the return of Azeri crude barrels that were not sufficient to sustain rates and hence close the week at the 130 x WS 157.5 levels for BSea loading. East Suezmaxes remained quiet with limited fixtures concluded and rates at the 130 x WS 150 for double hulls and around WS 130-135 for older single hull units, however we expect that as VLCCs firming, Suezmaxes will become a more attractive solution and rates will firm.

On the Aframax class, In the Caribbean market Hurricanes Gustav and Hanna have not caused significant delays to vessels or damage to Oil infrastructure and by weeks end the market is less than 70 x WS185 with WS180 reported on subs and the expectation of further rates softening. In the Med there is availability of tonnage and date sensitivity is in play with rates at 80 x WS160 for cross med and further pressure to drive rates down. East Aframaxes show signs of strengthening with Double Hull units going on subs under the radar and scarse availability of ?quality? tonnage driving rates North to what today seems to be in excess of 80 x WS200 for Fuel Oil cargos discharging in the East. Indo/East closes the week at the 80x WS190 levels.

TANKERS

“HIGH HARMONY” 45,913/05 **-** SHIN KURUSHIMA - MITSUBISHI 12,889 - COILED - COATED - IGS SBT - COW - DH
“HIGH CONSENSUS” 45,896/05 **-** SHIN KURUSHIMA - MITSUBISHI 12,889 - COILED - COATED - IGS SBT - COW - DH
Sold for $56.5 mill. each to Kuwaiti buyers (United Arab Chemical Carriers).

“SITEAM PANTHER” 46,100/85 **-** BELGIUM - SULZER 11,150 - COILED - COATED - IGS SBT - COW DH - IMO 3
Sold for $9.5 mill. to Greek buyers (IMS).

“BOW SANTOS” 19,997/04 **-** SHIN KURUSHIMA - MITSUBISHI 7,201 - COILED - ST. ST. COATING - IGS - SBT COW - DH - IMO 2
Sold for $40 mill. to undisclosed buyers. Sale includes bareboat back to sellers (Odfjell Asia).

“GREEN SAMBU” 3,400/96 **-** BANG UH JIN - ALPHA 2,665 - COILED - COATED - IGS - SBT - COW - DH - IMO 3
Sold for $5.6 mill. to Ecuador based buyers.

BULKERS

“STX HULLS 3017 & 3013” 181,000/Jun-Sep 09 - STX - B&W 25,370 - 9HH
Sold on private terms to Greek buyers (Navios Maritime).

“VINASHIN SUMMER” 21,340/83 - SHIN YAMAMOTO - B&W 8,100 - 4HH - C 3X25T, D 1X25T
Sold for $7.5 mill. to Vietnamese buyers. Sale includes t/c for 6 years at $15,000/day

“OCEANIA QUEEN” 8,240/96 - CHING FU - B&W 4,000 - 2HH - D 2X30T, 2X25T
Sold for $15.5 mill. to Thai buyers.

“OCEAN STONE” 7,206/84 - DAEDONG - HANSHIN 4,500 - 2HH - C 2X20T, D 2X20T - 286 TEU
Sold for $5.8 mill. to Turkish buyers.

TWEENDECKERS/MPP

“HO TAY” 12,665/78 - GERMANY - MAN 9,000 - 3HO 5HA - 436 TEU
Sold for $4.2 mill. to undisclosed buyers.

CONTAINERS

“BAR’ZAN” 24,327/99 - IMABARI - B&W 16,680 - 5HH - 1,560 TEU
Sold for $25.5 mill. to undisclosed buyers.

“RUILOBA” 18,210/07 - SPAIN - WARTSILA 14,133 - 8HH - 1,267 TEU
Sold for $46 mill. to German buyers. Sale includes t/c for 3 years at $19,590/day.

“SINAR RIAM” 12,300/93 - POLAND - B&W 9,420 - 4HO 7HA - C 2X40T - 1,012 TEU
Sold for $15.4 mill. to Indonesian buyers.

“ARA ATLANTIS” 11,400/07 - GERMANY - MAK 11,421 - 868 TEU
Sold for $20.2 mill. to Dutch buyers. (Old sale)

“JACQUELINE” 10,730/95 - MIHO SHIMIZU - B&W 9,469 - 5HH - C 2X40T - 844 TEU
Sold for $16 mill. to Indian buyers (Shreyas).

REEFERS

“THORGULL” 6,325/83 - SHIKOKU - B&W 7,980 - 4HH - 313,122 CBF
Sold for $3 mill. to Chinese buyers.

FRESH FOR SALE

BULKERS

“PRINCESS MARISOL” 166,058/84 - SPAIN - B&W 27,600 - 9HH
Curently inspectable in Dampier.

“CATRIENA” 73,829/98 - SUMITOMO - SULZER 12,070 - 7HH
“CAROLA” 73,740/97 - SUMITOMO - SULZER 12,070 - 7HH
Catriena: inspectable in Mississippi River between 22nd - 27th September.
Carola: inspectable in San Lorenzo between 7th - 13th September.

"OCEAN CRYSTAL" 73,688/99 - SUMITOMO - SULZER 11,400 - 7HH
Currently inspectable in Rotterdam.

"FAR EASTERN SILO" 69,338/90 - IMABARI - SULZER 12,000 - 7HH
Inspectable in Dickson where ETA 8th September.

"ALFIE" 40,864/86 - SANOYAS - SULZER 8,440 - 5HH - C 5X25T
Curently inspectable in drydock in Shanghai area.

"ALLSTAR" 28,493/90 - IMABARI - B&W 7,800 - 5HH - C 4X30.5T
Curently inspectable in Sluiskil, Holland.

NEWBUILDING STATISTICS

TYPE OF SHIP	2008	2009	2010	2011	2012	2013	2014	* TOTAL ORDERBOOK
ULCC/VLCC	19	68	68	93	15			263
SUEZMAX	13	63	49	55	5			185
AFRAMAX	46	103	79	41	1			270
PANAMAX	26	51	25	31				133
MR	110	215	188	90	11			614
0-35,000 DWT	167	209	145	45	8			574
CAPESIZE	20	163	340	207	71	12	2	815
80-100,000 DWT	21	90	188	144	24	4		471
PANAMAX	24	50	80	53	30	3		240
SUPRAMAX	95	290	301	209	50	3		948
HANDYSIZE	78	261	271	183	70	7		870

**** Includes ALL vessels on order***

NEWBUILDING CONTRACTS

No	Size	Type	Yard	Delivery	Price (mill)	Owners	Comments
1	300,000 dwt	Tanker	Mitsubishi	2011	n/a	N.Y.K.	
2	158,000 dwt	Tanker	Sungdong	2011	n/a	Grand Union	
2	75,000 dwt	Tanker	Sungdong	2010/11	n/a	Grand Union	
2	12,800 dwt	Tanker	STX	2009	n/a	Reederei Nord	Prod/Chem
2	6,600 dwt	Tanker	Okskaya	2009	n/a	MISC	Prod/Chem
2	180,000 dwt	Bulker	Hanjin	2011	$99	MPC Group	
1	180,000 dwt	Bulker	Hanjin	2011	$99	Sealink Shanghai	
3	176,000 dwt	Bulker	SWS	2012	$90	K-Line	
3	93,000 dwt	Bulker	Shanhaiguan	2011	n/a	Transfield ER	
2	81,000 dwt	Bulker	STX	2011	$58	Emirates Trading	
8	53,000 dwt	Bulker	Chengxi	2009/11	n/a	Huaneng Group	
2	35,000 dwt	Bulker	Nantong Daoda	2010	n/a	Atlas Shipping	
1	15,000 dwt	MPP	Dalian	2010	n/a	Jindal Steel	
2	7,500 dwt	MPP	Dalian	2009/10	n/a	Jindal Steel	

DEMOLITION

DEMOLITION STATISTICS				
TYPE OF SHIP	***THIS DATE 2008***	***THIS DATE 2007***	***2007 TOTAL***	***2006 TOTAL***
ULCC/VLCC	6	1	1	0
SUEZMAX	1	1	1	0
AFRAMAX	6	7	8	14
PANAMAX TANKER	7	3	5	7
CAPE/COMBO (100,000 dwt +)	0	0	0	3
PANAMAX/KAMSARMAX BULKER	0	2	2	13

LOCATION	***TANKERS***	***BULK CARRIERS***
CHINA	550	515
INDIA	670	630
BANGLADESH	725	680
PAKISTAN	645	605

DEMOLITION:

BANGLADESH

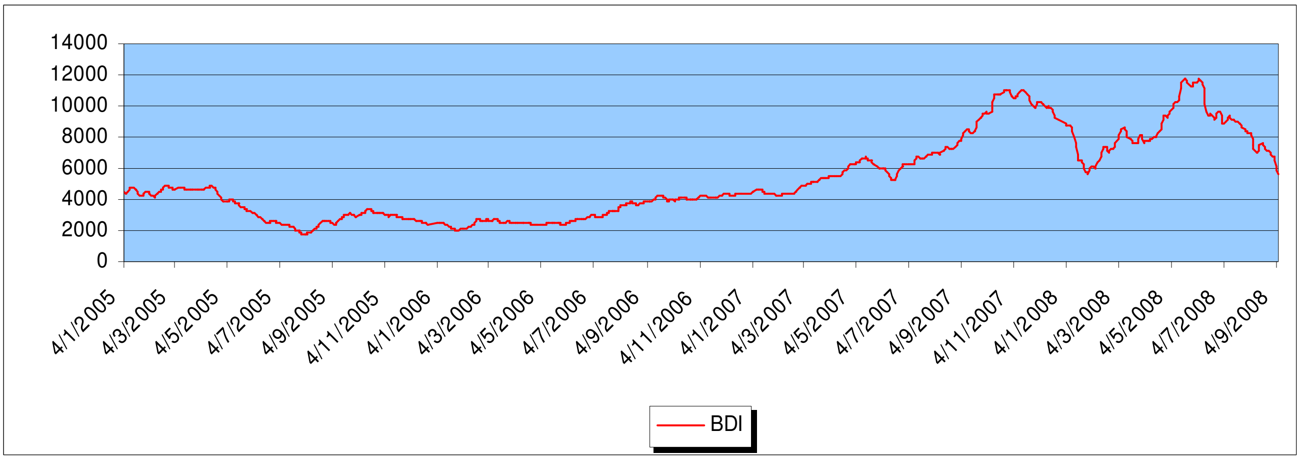
M/T **"A. ELEPHANT"** 264,758/87 - 31,675 LDT - USD 705/LDT (previous sale at USD 769/LDT failed)

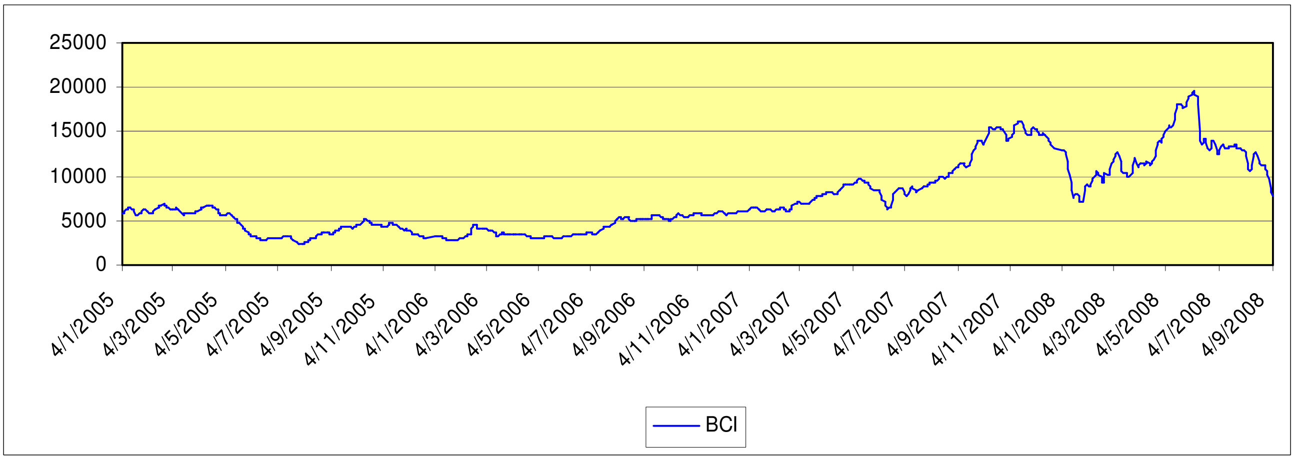
Reef **"RAINFROST"** 6,827/74 - 7,419 LDT - Sold on PnC terms

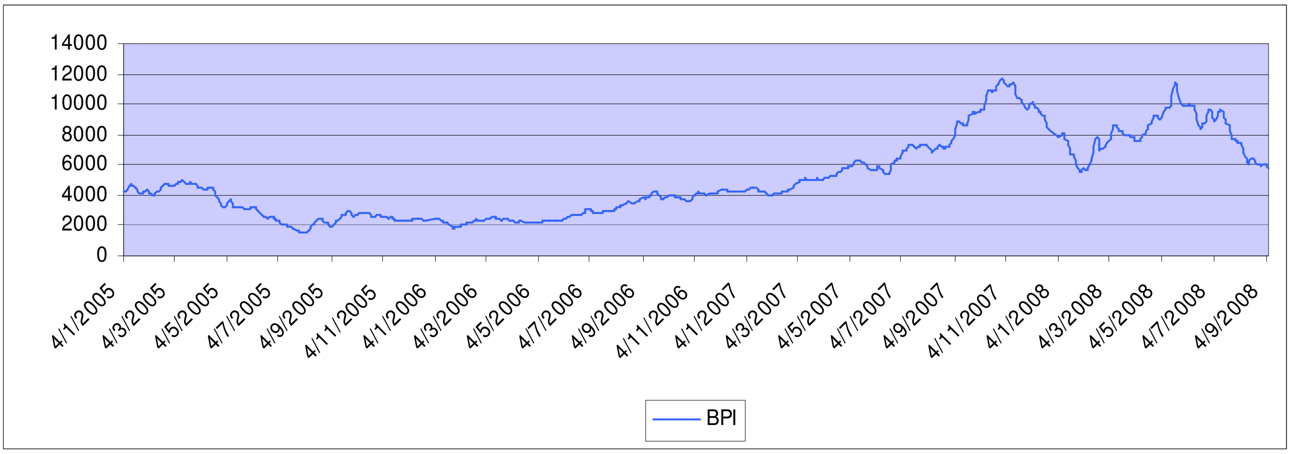
INDIA

Reef **"SNOW FLOWER"** 12,827/72 - 9,220 LDT - USD 704/LDT

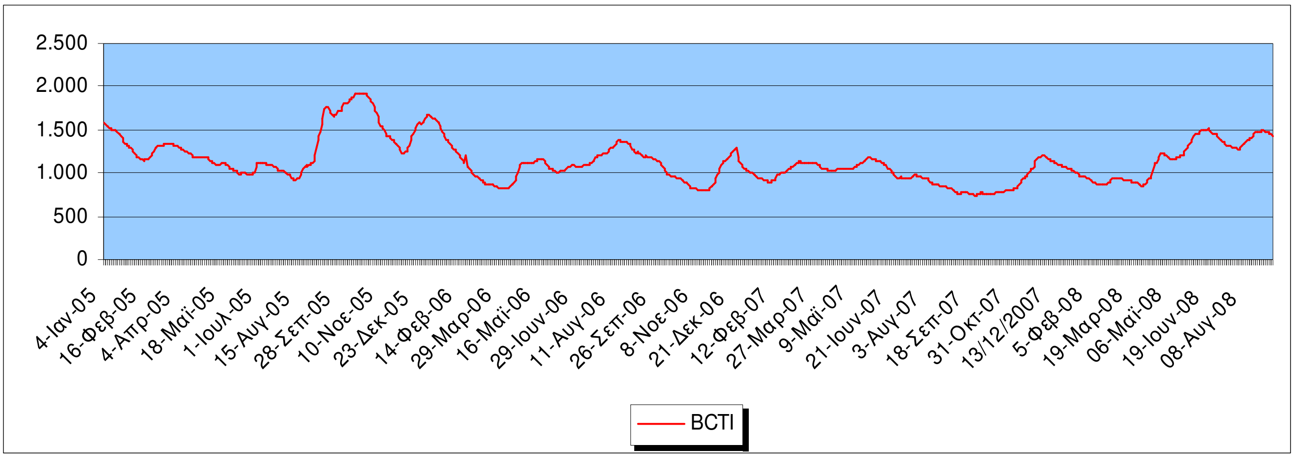
BALTIC DRY EXCHANGE RATES				
	THIS WEEK	*LAST WEEK*	*CHANGE*	*CHANGE %*
Baltic Dry Index	5663	6809	-1146	-16,83%
Baltic Capesize	7708	10506	-2798	-26,63%
Baltic Panamax	5844	5993	-149	-2,49%
Baltic Supramax	3475	4189	-714	-17,04%
Baltic Handysize	1964	2151	-187	-8,69%

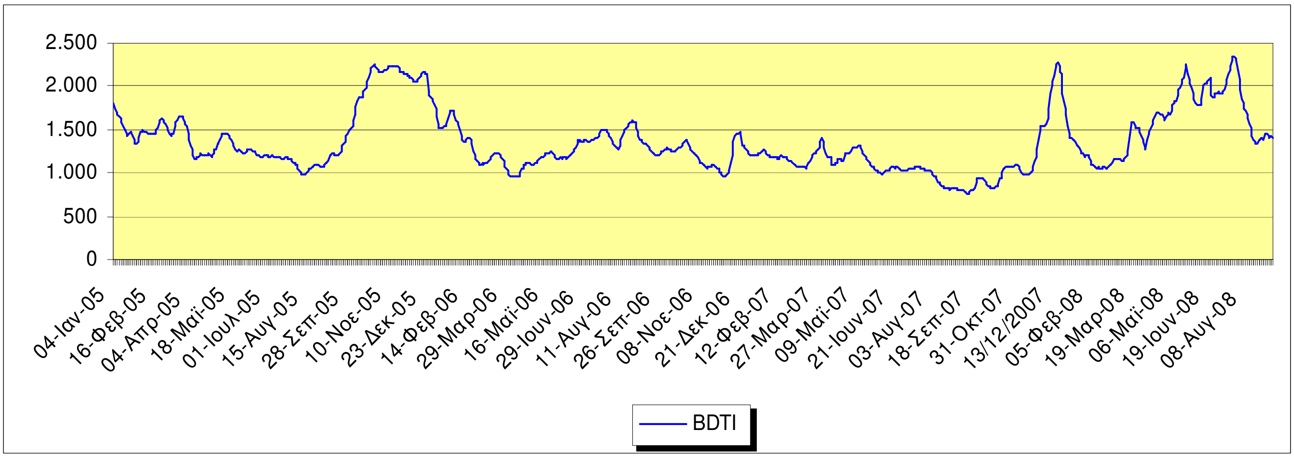






BALTIC WET EXCHANGE RATES				
	THIS WEEK	*LAST WEEK*	*CHANGE*	*CHANGE %*
Baltic Clean Tanker	1433	1480	-47	-3,18%
Baltic Dirty Tanker	1403	1458	-55	-3,77%





MAJOR CAPITAL MARKETS

INDEX	THIS WEEK*	LAST WEEK*	CHANGE	CHANGE %	52 WEEKS HIGH	52 WEEKS LOW
NYSE	5.714,53	6.153,79	-439,26	-7,14%	7.963,84	5.672,79
NASDAQ	2.259,04	2.411,64	-152,60	-6,33%	2.861,51	2.155,42
AIM	779,01	797,00	-17,99	-2,26%	1.151,12	779,01
NIKKEI	12.557,66	12.768,25	-210,59	-1,65%	17.489,00	11.691,00

PUBLIC COMPANIES

DRY-CARGO SECTOR

NAME	SYMBOL	THIS WEEK*	LAST WEEK*	CHANGE	CHANGE %	52 WEEK HIGH	52 WEEK LOW
DIANA	DSX	24,23	28,93	-4,70	-16,25%	$45.15	$20.15
DRYSHIPS	DRYS	61,53	73,28	-11,75	-16,03%	$131.34	$48.21
EAGLE BULK	EGLE	22,55	26,60	-4,05	-15,23%	$36.24	$17.50
EXCEL MARITIME	EXM	27,35	34,05	-6,70	-19,68%	$81.99	$24.50
GENCO	GNK	51,00	63,97	-12,97	-20,28%	$84.51	$33.39
NAVIOS HOLDINGS	NM	8,58	10,39	-1,81	-17,42%	$19.76	$7.74
TBS INTERNATIONAL	TBSI	23,01	28,68	-5,67	-19,77%	$71.15	$17.69

TANKER/ENERGY SECTOR

NAME	SYMBOL	THIS WEEK*	LAST WEEK*	CHANGE	CHANGE %	52 WEEK HIGH	52 WEEK LOW
CAPITAL PRODUCT PARTNERS	CPLP	14,94	15,69	-0,75	-4,78%	$28.13	$14.66
GENERAL MARITIME	GMR	24,56	24,94	-0,38	-1,52%	$31.00	$19.81
OMEGA NAVIGATION	ONAV	14,87	15,33	-0,46	-3,00%	$22.20	$13.30
STEALTHGAS	GASS	16,17	16,87	-0,70	-4,15%	$18.22	$12.34
TEN	TNP	33,51	34,99	-1,48	-4,23%	$39.48	$27.51

CONTAINER SECTOR

NAME	SYMBOL	THIS WEEK*	LAST WEEK*	CHANGE	CHANGE %	52 WEEK HIGH	52 WEEK LOW
DANAOS	DAC	20,08	20,90	-0,82	-3,92%	$37.50	$18.46

** Prices reflect Thursday's closing values. Prices in US$*

RATES OF EXCHANGE				
	THIS WEEK	***LAST WEEK***	***CHANGE***	***CHANGE %***
Euro / $	1,4250	1,4737	-0,0487	-3,30%
Sterling / $	1,7623	1,8305	-0,0682	-3,73%
$ / Yen	106,31	108,76	-2,45	-2,25%
$ / Nok	5,6210	5,3909	0,2301	4,27%
$ / Won	1.117,50	1.087,80	29,70	2,73%
Brent Crude	106,58	116,65	-10,07	-8,63%
LIBOR (3-month)	2.81%	2.81%	0.00	0.00%

ESTIMATED VALUES

TANKERS	NB	PROMPT RESALE	5 YEARS	10 YEARS	20 YEARS	12 MONTH T/C
VLCC	$158.0m	$200.0m	$157.0m	$135m (DH)	$40.0m	$87,500 PD
Suezmax	$97.0m	$120.0m	$108.0m	$79.0m (DH)	$35.0m	$54,000 PD
Aframax	$78.0m	$88.0m	$78.0m	$66.0m (DH)	$26.0m	$41,000 PD
Panamax	$65.0m	$72.0m	$60.0m	$50.0m (DH)	$18.0m	$31,000 PD
Product	$56.0m	$62.0m	$53.5m	$43.0m (DH)	$15.0m	$25,000 PD
BULK CARRIERS	**NB**	**PROMPT RESALE**	**5 YEARS**	**10 YEARS**	**20 YEARS**	**12 MONTH T/C**
Capesize	$97.0m	$165.0m	$151.0m	$130.0m	$78.0m	$124,000 PD
Panamax	$58.0m	$105.0m	$90.0m	$77.0m	$47.5m	$62,000 PD
Supramax	$50.0m	$80.0m	$75.0m	$61.0m	$41.0m	$48,000 PD

BUNKER PRICES

FUEL GRADES	ROTTERDAM	FUJAIRAH	PIRAEUS	SINGAPORE
380cst:	$581.00	$645.00	$615.00	$645.00
180cst:	$611.00	$662.00	$645.00	$662.50
MGO:	$960.00	$1142.50	$982.50	$937.50

WEBERSEAS CONTACTS

SALE & PURCHASE	MOBILE PHONE NUMBER
Bobby Mitropoulos	6936-530005
Tom Protonotarios	6936-530006
Nicholas Sfinias	6944-343488
John Stamatakis	6936-853258
Spyros Karamassis	6945-776757

TANKER CHARTERING

Basil Mavroleon	6932-644983
Christos Kalogeras	6944-514420
Lefteris Mystriotis	6946-762010
Dionysios Mitsotakis	6944-720337

TANKER OPERATIONS

Kimon Polikratis	6932-300590

ADMINISTRATION

Yannis Mitropoulos	6936-530007
Ourania Savvaki	6934-257746

Very Truly Yours,

WEBERSEAS (HELLAS) S.A.